



# EXECUTIVE

## BURNLEY TOWN HALL

Tuesday, 15<sup>th</sup> April 2014 at 6.30 pm

### PRESENT

### MEMBERS

Councillors Julie Cooper (in the Chair), Howard Baker, Tony Harrison, Shah Hussain, and Mark Townsend

### OFFICERS

Steve Rumbelow	-	Chief Executive
Mick Cartledge	-	Director of Community Services
Mike Cook	-	Director of Economic Regeneration
Helen Seechurn	-	Director of Resources
Tom Forshaw	-	Head of Chief Executive's Office
Paul Gatrell	-	Head of Housing & Development Control
Jeremy Richards	-	Communications Officer
Eric Dickinson	-	Democracy Officer

### ALSO IN ATTENDANCE

#### 125. Apologies

Apologies for absence were received from Councillor John Harbour

#### 126. Minutes

The Minutes of the Meeting held on the 4<sup>th</sup> March 2014 were confirmed as a correct record and signed by the Chair.

#### 127. Minutes of Individual Decisions

The Minutes of the following individual decision made since the last meeting were noted;

- Minute 19 – Environmental Health Mini Re-Structure
- Minute 20 – Customer & IT Services Re-Structure and Staffing changes
- Minute 21 – Leisure Trust Chief Executive Salary
- Minute 22 – Staffing Changes Revenues and Benefits
- Minute 23 – Support Team Review Revenues and Benefits and CEO
- Minute 24 – Staffing Changes – Revenues and Benefits – Bailiff services

## 128. Declaration of Interest

A personal and prejudicial interest was declared by Councillor Howard Baker regarding Item 8 Selective Licensing- Gannow, and Item 9 Selective Licensing – Queensgate.

A disclosable pecuniary interest was declared by Tom Forshaw, Helen Seechurn, Mike Cook, Mick Cartledge and Paul Gatrell regarding Item 14.

A disclosable pecuniary interest was declared by Steve Rumbelow regarding Item 14 (h).

## 129. Selective Licensing - Gannow

*Councillor Howard Baker left the room and did not take part regarding this item.*

**Purpose** To update the Executive on the results of the selective licensing statutory consultation in the Gannow area of the Borough.

To recommend that Gannow is designated as a selective licensing area.

To recommend a staffing, fee structure and budget approval for the Gannow Selective Licensing Designation Area.

**Reason for Decision** The Council have satisfied the statutory tests in Section 80 of the Housing Act 2004 in relation to the conditions required to designate an area for selective licensing in that; the proposed designation area is suffering from low housing demand;

The selective licensing designation area is consistent with the overall housing strategy for the Borough and is key to the Council's wider regeneration strategy to tackle low demand;

That selective licensing is an important component of the wider regeneration strategy and is the only option available to the local authority that compels landlords to look at how they manage their rented properties and where required, make improvements to management practices. It is important that significant investment aimed at improving the physical environment and economic conditions of the area are supported by initiatives to ensure the effective management practices are operating for those properties in the private rented sector, and that the area is sustainable as a mixed tenure environment with a range of housing options.

An option appraisal detailed in paragraph 144 of Appendix B to this report looks at other powers and projects that are available to the Council with the reasons why they could not be used as an alternative to the proposed Selective Licensing designation. They will be used as support tools as part of an integrated programme of measures to improve the social, economic

and environmental conditions of the Gannow area.

- Decision
- (1) That the area detailed in Plan A be approved as a Selective Licensing Area for a maximum period of five years for the reasons detailed in Appendix B-Burnley Borough Council Proposal to Approve a Selective Licensing Area;
  - (2) That the fee structure be approved as detailed in the report;
  - (3) That the following staffing structure be approved for the five year period of the designation area:
    - (a) 1 Project Assistant for years 1, 2 and 3 of the designation period reducing to 0.33 of a Project Assistant for years 4 and 5 of the designation period.
    - (b) 0.6 of an Administration Officer for year 1, 2 and 3 of the designation period reducing to 0.33 in year 4 of the designation period; and
  - (4) That the financial implications be approved as detailed in this report and that a budget be created of £91, 396 in 2014/15 which will be paid for by the licence fee income.

<b>130. Selective Licensing - Queensgate</b>
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*Councillor Howard Baker left the room and did not take part regarding this item.*

Purpose To update the Executive on the results of the selective licensing statutory consultation in the Queensgate with Duke Bar area of the Borough.

To recommend that Queensgate/Duke Bar is designated as a selective licensing area.

To recommend a staffing, fee structure and budget approval for the Queensgate/Duke Bar Selective Licensing Designation Area.

Reason for Decision The Council have satisfied the statutory tests in Section 80 of the Housing Act 2004 in relation to the conditions required to designate an area for selective licensing in that; the proposed designation area is suffering from low housing demand;

The selective licensing designation area is consistent with the overall housing strategy for the Borough and is key to the Council's wider regeneration strategy to tackle low demand;

That selective licensing is an important component of the wider regeneration strategy and is the only option available to the local authority that compels landlords to look at how they manage their rented properties and where required, make improvements to management practices. It is

important that significant investment aimed at improving the physical environment and economic conditions of the area are supported by initiatives to ensure the effective management practices are operating for those properties in the private rented sector, and that the area is sustainable as a mixed tenure environment with a range of housing options.

An option appraisal detailed in paragraph 161 of Appendix B to this report looks at other powers and projects that are available to the Council with the reasons why they could not be used as an alternative to the proposed Selective Licensing designation. They will be used as support tools as part of an integrated programme of measures to improve the social, economic and environmental conditions of the Queensgate/Duke Bar area.

- Decision
- (1) That the area detailed in Plan A be approved as a Selective Licensing Area for a maximum period of five years for the reasons detailed in Appendix B- Burnley Borough Council Proposal to Approve a Selective Licensing Area;
  - (2) That the fee structure be approved as detailed in the report;
  - (3) That the following staffing structure be approved for the five year period of the designation area:
    - (a) 1 Project Assistant for years 1, 2 and 3 of the designation period reducing to 0.33 of a Project Assistant for years 4 and 5 of the designation period;
    - (c) 2 Administration Officers for year 1 of the designation period reducing to 1.66 Administration Officers in year 2 and then reducing further to 0.33 of an Administration Officer in year 3 and 4 of the designation area; and
  - (4) That the financial implications be approved as detailed in this report and that a budget be created of £98,822 in 2014/15 which will be paid for by the licence fee income.

<b>131. Medium Term Financial Strategy Savings Plan</b>
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- Purpose To outline a rationale for the change the Council will face over the next 12-18 months in response to financial challenges. This report provides a high level overview of potential benefits arising from strategic organisational change and describes the process for delivery.
- Reason for Decision The Medium-Term Financial Strategy approved at February Council 2014 reported a significant gap of £3m (or 19%) by 2016/17. The level of savings the Council will be required to achieve is unprecedented. The Council is faced with difficult choices affecting core Council services. At the heart of the Council though is a commitment to deliver against our strategic objectives, particularly focussing on our place shaping role. The

Council is as ambitious as ever to serve the people and businesses of Burnley. However, the financial challenge requires innovative ways of providing services. Consequently, a longer term service delivery model requires savings to be found through service transformation, continuous improvement and strategic prioritisation through a partnership approach.

- Decision
- (1) That the approach and direction of travel as set out in the report be noted;
  - (2) That the mobilisation of a transformation programme of work for completion during 2015/16 be approved; and
  - (3) That it be noted that the procurement of an external adviser is the subject of a separate private report elsewhere on the agenda on the grounds of commercial confidence.

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**132. Exclusion of The Public**

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Purpose To consider when it may be relevant to exclude the public from the meeting, and clarify the order of the agenda.

Reason for Decision Minutes 133 and 134 contain exempt information relating to the financial or business affairs of any particular person (including the authority holding that information).

Minute 135 contains exempt information relating to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matter arising between the authority or a Minister of the Crown and employees of, or office holders under, the authority.

Decision That the public be excluded from the meeting before discussion takes place on the items relating to Minutes 133,134, and 135 since in view of the nature of the business to be transacted, if the public were present there would be a disclosure to them of exempt information within the meaning of Part VA of the Local Government Act 1972.

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**133. Procurement of Advice for 2015/16 Budget**

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Purpose To seek approval for the appointment of an external adviser to support the change programme that the council will undertake over the next 12-18months in response to financial challenges.

Reason for Decision The appointment of an external adviser will provide independent advice and challenge in the shaping of future council services and ensure that the benefits are fully realised in the timescales set out. The adviser will bring skills and knowledge to complement existing skill set and capacity in the Council and in particular will bring an understanding of the current market activity and commercial knowledge not available in house.

Procurement will be by a mini competition through an existing Government

Consultancy framework; providing an efficient and effective procurement method, helping the Council to maximise value for money.

- Decision
- (1) That Standing Order for Contracts 18 and 20 be waived to allow for the appointment of an external adviser under an existing Consultancy Framework Contract following a process of competitive dialogue and that the Director of Resources be authorised to appoint the external adviser on the basis of the most economically advantageous tender; in consultation with the Executive Member for Resources and Performance Management; and
  - (2) That the Head of People Law and Regulation be authorised to enter into all agreements necessary to give effect to this decision.

<b>134. Housing Association Sites</b>
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Purpose To deliver affordable new homes through disposal of Council owned land to Housing Associations for housing development.

Reason for Decision The Government's policy is to boost the supply of affordable homes in response to growing demand. Disposal of the sites identified and maintaining a programme of sites for future disposal will help create new supply to achieve this objective.

Obtaining prior approval to dispose of sites will provide a better chance of successful funding bids by partner Housing Associations to the Homes & Communities Agency (HCA) as this is one of the key milestones in the bidding process.

- Decision
- (1) That the disposal of the sites be approved on the attached list (Appendix A) shown edged thick in black on the attached plans (Appendix B), and to expedite disposal agree the following:
    - a) That power be delegated to the Head of People, Law & Regulation to appropriate land for planning purposes and to dispose of land;
    - b) That power be delegated to the Head of Finance & Property Management, in consultation with the Executive Member for Resources & Performance Management, to allow for negotiations with any Specific Purchaser and to waive Standing Orders for Contracts (SOC) 13 to18;and
    - c) That power be delegated to the Head of Finance & Property Management, in consultation with the Executive Member for Resources & Performance Management, to agree price and other terms under Standing Orders for Contracts SOC 17;and
  - (2) That the previous Executive decisions on 14th October 2008 Minute 107 and 21st July 2009 Minute 44 be rescinded.

## 135. Senior Management Review

*Tom Forshaw, Helen Seechurn, Mike Cook, Mick Cartledge and Paul Gatrell left the meeting and did not take part regarding this item.*

*Steve Rumbelow left the meeting and did not take part regarding Item 14 (h) below.*

**Purpose** To seek approval to implement a revised senior management structure and confirm the reduction of senior management posts.

**Reason for Decision** The Council's Medium-Term Financial Strategy (MTFS) approved in February 2014 set out an improved financial forecast for 2015/16 and 2016/17 as a result of the Council's work with Government to secure a commitment to Efficiency Support Grant (ESG) for a further year. However, a significant gap of circa £3m (approx. 19%) still exists.

Reports elsewhere on this agenda set out a process for a radical change programme, which will seek to address this financial challenge whilst protecting services and meeting the Council's strategic objectives for the "place."

The proposals contained in this report are further changes to the Council's senior management structure in response to the Council's medium-term financial position, implemented in a way which retains adequate capacity in the short term to enable effective management of the complex change programme which is necessary.

**Decision** That Full Council be recommended to:

- (a) Approve the proposed management structure as detailed in Appendix 1 to deliver savings for 2015/16 and delegates to the Chief Executive any adjustments to job roles and/or post designations and grades which are required;
- (b) Confirm the deletion of the following posts from the Council's senior management establishment: Director of Economic Regeneration, the Head of the Chief Executive's Office; and Head of Facilities Management;
- (c) Confirm the deletion of the following posts as a consequence of (a) and (b) above: People and Development Manager, Contact Burnley Manager, one Director's Secretary post;
- (d) Note the proposed arrangements and timetable for the structure changes to be implemented;
- (e) Delete the post of Head of Sport and Culture following the establishment of the Leisure Trust;
- (f) Give authority to current Head of People, Law & Regulation to issue

redundancy notices to the postholders where no suitable alternative employment is identified.

- (g) That the making of consequential amendments to Part 7 of the Constitution (Management Structure) be delegated to the Monitoring Officer; and
- (h) With effect from 1st April 2014, Chief Officers will receive a 1.5% cost of living rise which shall be inclusive of any national pay award below this amount